1	CITY OF SANTA FE, NEW MEXICO
2	RESOLUTION NO. 2010-4
3	INTRODUCED BY:
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5	Councilor Chavez
	Mayor Coss
6	Councilor Calvert
7	Councilor Dominguez
8	Councilor Romero
9	Councilor Trujillo
10	A RESOLUTION
11	DECLARING AN EMERGENCY AND OPPOSING LEGISLATIVE EFFORTS TO
12	BALANCE THE STATE'S BUDGET AT THE EXPENSE OF LOCAL GOVERNMENT
13	INCLUDING ANY PROPOSAL TO REPEAL THE HOLD HARMLESS PROVISION.
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15	WHEREAS, HB 625 removed the gross receipts tax from food and certain health care
16	services; and
17	WHEREAS, to offset the lost revenue municipalities would incur due to this removal,
8	HB 625 contained a hold harmless provision that provided for a new distribution formula; and
19	WHEREAS, the State of New Mexico is currently experiencing a serious shortfall of
20	revenues resulting in a deficit in the range of \$600 to \$700 million dollars for FY 2010; and
21	WHEREAS, the upcoming Legislative Session will address financial issues including
22	the shortfall of revenues for the state budget; and
23	WHEREAS, the Legislature may be considering repealing the food and medical hold
24	harmless provision for local governments as part of their efforts at addressing the deficit; and
25	WHEREAS, if the Legislature did repeal the hold harmless provision, the City would

receive \$10,000,000 less in gross receipts distributions, and WHEREAS, the impact to the City's general fund resulting from such a repeal is considerable and would result in a deficit for fiscal year 2010; and WHEREAS, said action would further have a crippling impact on the City's general government operations, acquisition of capital equipment and projects including, but not limited to, future infrastructure projects, street capital projects, flood control projects, street maintenance, water improvement projects, economic development, and other uses specially authorized by the residents of the City when they authorized the imposition of additional gross receipt taxes. NOW, THEREFORE BE IT RESOLVED by the Governing Body of the City of Santa Fe that the Governing Body hereby opposes any effort to balance the State's budget at the expense of local government including any proposal to repeal the hold harmless provision. AND BE IT FURTHER RESOLVED that the City Clerk is directed to give a copy of this resolution to the city's lobbyist and State Legislative delegation. PASSED, APPROVED, and ADOPTED this 13th day of January, 2010. DAVID COSS, MAYOR ATTEST: OLANDA Y. WGIL, CITY CLERK

1 APPROVED AS TO FORM:

2 JULY A BULLAGY

4 CITY ATTORNEY (ACTING)

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mdb/ca/jpmb/2010 res/hold harmless